

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 557 - SB 591**

February 24, 2021

**SUMMARY OF BILL:** Authorizes entities with either a retail license, retail food store wine license, or liquor-by-the-drink license to transfer or sell their inventory of alcohol to an entity with the same license type if the entity is closing or selling its establishment to another entity with the same license type.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Because the alcohol being transferred has already been purchased, any impact to the wholesale tax is estimated to be not significant.
- Furthermore, sales and use tax is not charged until it is sold to the end user, meaning that transferring or selling between business entities would not cause any increase in revenue as a result of the proposed legislation.
- Any additional work created for the Department of Revenue or the Alcoholic Beverage Commission from the 10-day notifications licensees are required to give is estimated to be absorbable within existing staff and resources of both entities; therefore, any fiscal impacts as a result of this proposed legislation are estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Bojan Savic, Interim Executive Director

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